## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL	ADJUSTM	ents in 1	e le ct r	RIC AND	<b>)</b>		
GAS RATE	S OF LO	UISVILLE	GAS A	ND	)	CASE NO	8924
ELECTRIC	COMPAN	Y			)		

## ORDER

Based on the prefiled testimony and the responses to data requests, the Commission has determined that the following items are issues under review in this case:

- 1. Cost restraint measures.
- 2. Whether the levels of revenues and expenses for the 12 months ended August 31, 1983, are representative for rate-making purposes.
  - 3. Normalized revenue electric and gas.
  - 4. The normalized level for wages and salaries expense.
  - 5. Puel cost synchronization.
- 6. Total gas cost reflected in the adjusted revenue at present and proposed rates in Hart Exhibits 3 and 4.
  - 7. Depreciation rates.
- 8. Rate-making treatment of the investment in the Trimble County generating plant (continued cash return on CWIP or accrual of AFUDC).

- 9. Appropriate amount of coal inventory to be included in rate base.
- 10. Proposed adjustment for the hydroelectric plant license fee.
- 11. Proposed temperature normalization adjustment for gas sales.
  - 12. The actual test year expense for wages and salaries.
  - 13. Proposed membership in EPRI.
- 14. Proposed adjustment to recover ESRG expenses in one year.
  - 15. Appropriate capital structure.
  - 16. Appropriate cost of preferred stock.
  - 17. Appropriate cost of long-term debt.
  - 18. Rate-making treatment for JDIC.
- 19. Appropriate return on equity, and Mr. Monteau's recommendations.
- 20. Load forecasts and construction plans for Trimble County.
  - 21. Embedded cost-of-service study.
  - 22. Marginal cost-of-service study.
  - 23. Cost of service support gas.
- 24. Gas and electric revenue allocation to customer classes and charges within each class.
  - 25. Special charges gas and electric.
  - 26. Interruptible service tariff.
  - 27. Time-of-day rates.

Done at Frankfort, Kentucky, this 12th day of March, 1984.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary